

Dog Training Business

A-1 Dog Training & Behavior LLC

7158 Charles St.
Springburg, Illinois 62051

Paul Greenland

A-1 Dog Training & Behavior LLC provides in-home obedience training for dogs.

EXECUTIVE SUMMARY

Business Overview

According to data from the American Pet Products Manufacturers Association (APPMMA), by the late 2000s there were nearly 45 million dogs in the United States. Information from different studies indicates that approximately 40 percent of North American homes include a dog. Given the many benefits associated with owning a pet, this may not come as a surprise. However, some surveys suggest that as many as 70 percent of dogs have some form of behavioral problem. These can range from simple issues, such as a lack of focus and attention or loose leash walking, to more serious problems, such as chewing, digging, and aggressive behavior.

When problems such as these present themselves, A-1 Dog Training & Behavior LLC is here to help frustrated dog owners identify a solution. We provide motivation-based (not punishment-based) training for all kinds of dogs. In addition to helping prospective dog owners choose the right breed prior to purchase, we provide them with new puppy training after they bring their new pet home. We also help existing pet owners address a wide variety of behavioral problems. Successful trainers must have a good understanding of both human and animal behavior, and in many ways, the training we provide pertains just as much to the owners as it does to the dogs.

In recent years, dog training has become big business. For example, one industry leader became successful by developing a relationship with a leading pet supplies retailer, and went on to handle dog training in approximately 750 stores throughout North America. Although the “big box” business model is one approach, ample opportunity still exists in most markets for smaller, independent dog training businesses. Those who develop a good reputation, work hard to build relationships with area veterinarians (a key referral source), and manage their business responsibly, will find success.

Company History

Lisa Butler has been surrounded by canines for as long as she can remember. Growing up, her family included two golden retrievers. Her love for dogs led to volunteer service at a local animal shelter at the age of 14. Two years later, she became a part-time employee of the shelter, where she cleaned kennels, walked dogs, assisted veterinary technicians and veterinarians, ordered and stocked supplies, and helped the office staff with paperwork.

During her employment at the shelter, Butler became familiar with several trainers who were occasionally brought in to help dogs with behavioral problems. While attending a local community college, she began shadowing one of these trainers, who inspired her to pursue dog training as a profession. Butler recently graduated with honors, earning an associate's degree in business management. She plans to continue working part-time at the shelter while building her new dog training business.

MARKET ANALYSIS

Overview

According to data from the American Pet Products Manufacturers Association (APPPMA), roughly 63 percent of U.S. households contain a pet. By the late 2000s, the nation was home to an estimated 44.8 million dogs. After growing to \$38.5 billion in 2006, consumer spending on pets was expected to reach \$40.8 million in 2007 and \$52.0 billion by 2009.

U.S. Census data indicates that the community of Springburg, Illinois, consists of approximately 56,756 households. Using formulas from the 2007 *U.S. Pet Ownership & Demographics Sourcebook*, the community includes an estimated 4,538 dog-owning households (7,715 dogs).

Competition

Springburg, Illinois, is home to SuperPet Universe, a big-box store with approximately 485 locations throughout the United States. In addition to selling dogs and pet supplies, SuperPet offers dog training within its store; it is a one-stop shop for pet owners. Although no research data exists, based on conversations with other local dog trainers, as well as news articles about SuperPet's typical market share, we estimate that the retailer has cornered 35 percent of the dog training market in Springburg.

GoodDawgz is another major player in our local market. This independently-owned dog training business employs eight full-time trainers and three part-time trainers. The business has been a part of the Springburg community for 12 years and has a good reputation among local veterinarians. GoodDawgz has likely cornered about 20 percent of the dog training market in our community.

Various independent dog trainers and small dog training businesses control the remainder of the dog training market in Springburg. Conversations with many of these individuals indicates that the demand for dog training services in our area is very strong; there seems to be no shortage of potential customers.

INDUSTRY ANALYSIS

Dog training dates back thousands of years. In the United States, professional dog training is well-established. Humane, reward-based training was used before World War I. However, the need for dogs during the war ushered in methods focused on punishment and fear. During the 1970s, Ireland's Barbara Woodhouse became well known for her use of more humane training methods involving treats and other rewards. She authored the popular book *No Bad Dogs: The Woodhouse Way*. Animal behaviorists such as Gary Wilkes and Karen Pryor introduced so-called "click and treat" training during the late 1980s, which involves the use of a mechanical clicker during the training process.

The primary professional organization within our field is the Association of Pet Dog Trainers (APDT). As the association explains on its Web site, APDT "offers individual pet dog trainers a respected and concerted voice in the dog world." Its primary functions include the promotion of dog-friendly training techniques, as well as the promotion of professional dog trainers to veterinarians.

Established in 1993, the association had approximately 6,000 members throughout the world by 2009. Each year, APDT hosts an annual conference attended by 1,500 people. Like most large professional organizations, the association offers a newsletter, seminars, a membership directory, and opportunities to network with professionals within the field. Although APDT does not endorse specific trainers, it does serve as a referral source for pet owners seeking dog trainers.

PERSONNEL

Lisa Butler will be the sole employee of A-1 Dog Training & Behavior during its initial years of operation. In addition, she has secured professional and advisory support in a number of key areas. For example, she has established a business banking account with Springburg Community Bank, as well as a merchant account for accepting credit card payments. Legal services are provided by the firm of Holmstrom & Brooks, and tax advisory services are provided by ACME Accounting Services LLC.

GROWTH STRATEGY

Lisa Butler plans to grow A-1 Dog Training & Behavior at a steady, measured pace. She realizes that business will be slower during the business' first year, as she focuses on establishing her client base and generating awareness about her services. She anticipates operating the business full-time beginning in year two. During year three, her goal is to add one additional full-time trainer, followed by another full-time trainer in year four.

During year five, Butler plans to add a third full-time trainer and also begin leasing a small facility where she can offer cost-effective training to groups of five-to-seven dog owners at a time. This approach will allow her to compete more aggressively with SuperPet Universe and GoodDawgz. In addition, A-1 Dog Training & Behavior plans to begin operating a doggy day care service at this facility, which will be unique in the Springburg community.

SERVICES

A-1 Dog Training & Behavior offers all dog training services in the customer's home.

When working with clients, we follow a clearly defined process:

1. *Initial Consultation.* All new client relationships begin with a free telephone consultation. This allows us to learn about the caller's situation and determine whether or not our training services will be beneficial.
2. *Assessment.* If it appears that we can be of assistance, we provide a detailed intake form (via mail or our Web site) to the customer for completion. We then schedule an in-home assessment to meet the dog, the owners, and evaluate the home environment. This information is then combined with the intake form to provide the owners with our observations and recommendations. The process provides a framework/game plan for the actual training. Assessments are provided at a cost of \$50, which must be paid in advance.
3. *Training.* Once the assessment process is complete, we proceed with training focused on obedience and dog behavior. When appropriate, basic training services (e.g. new puppy training) are provided in packages with one flat fee. In addition, we also offer ongoing services at a rate of \$75 per hour. Our training approach is motivation-based (e.g., food and toys), as opposed to punishment-based.

DOG TRAINING BUSINESS

Generally speaking, we require basic training packages to be completed within 10 weeks, while specialized/difficult behavior issues often require more time.

Examples of the services we provide include:

- Grooming
- Instruction
- Advice about puppy-/dog-proofing homes
- Breed selection (prior to purchase)
- Health & nutrition
- Socialization (with other dogs and people)
- Potty training
- Hand signal/voice command training
- Puppy obedience
- On/off-leash obedience
- Crate training

Examples of the dog behaviors our training programs address include:

- Focus & attention
- Loose leash walking
- Licking
- Chewing
- Digging
- Inappropriate jumping
- Aggressive/dominant behavior
- Barking
- Separation problems (anxiety/stress when owner is not present)
- Shy/fearful behavior

MARKETING & SALES

A-1 Dog Training & Behavior has developed a marketing plan that involves the following primary tactics:

1. A simple bi-fold brochure describing our business.
2. A basic Yellow Page listing under Pet Services.
3. The development of professional relationships with local veterinarians to secure training referrals.
4. A weekly appearance on the cable access program "You & Your Pet", which includes a local veterinarian answering frequently-asked questions about health. Owner Lisa Butler will accept questions about pet behavior problems and basic pet training.
5. A web site with complete details about our business and the services we offer.
6. A monthly pet training e-newsletter for area pet owners.

7. Flyers distributed via area veterinary offices, pet grooming businesses, and pet supply stores, in order to promote our training services.
8. A customer loyalty program that provides a 10 percent discount to those referring a friend or family member to our business.

OPERATIONS

Because A-1 Dog Training & Behavior provides all services directly in the customer's home, we have no facility costs. The owner has dedicated a small space within her apartment to be used exclusively for business purposes. Telephone calls for the business will be received on a dedicated cell phone, allowing the owner to accept calls while she is in the field.

Lisa Butler has purchased a computer, as well as a specialized software program developed specifically for dog training businesses. The application includes an online registration function that can be integrated easily with any Web site, a scheduling/calendar function, a training log feature that can be customized for each dog/owner, and more.

In addition, a basic arrangement of training equipment has been acquired, including leashes, collars, scratch pants, bite sleeves, jackets and vests, clickers, whistles, bite tugs, dog treats, and play toys.

Payment & Fees

We provide dog training assessments at a cost of \$50, which must be paid in advance.

Basic training services are provided as packages, with one flat fee. For example, our most popular packages are:

- New Puppy (\$300)—Includes one hour per week for five weeks. Suitable for dogs younger than six months of age.
- Basic Manners & Skills (\$375)—A program for dogs more than six months old.

A 10 percent discount is offered for packages paid for in advance.

In addition, we also offer ongoing services at a rate of \$75 per hour.

Cancellations for all services must be made 24 hours in advance. For last-minute cancellations, we assess a charge equal to one hour of regular service (\$75). We require that all customers provide us with their credit card number, even if they do not choose to pay via credit card, so that we can bill for last-minute cancellations.

FINANCIAL ANALYSIS

Start-up Budget

- Advertising & Marketing—\$950
- Equipment—\$650
- Transportation/Fuel—\$1,200
- Miscellaneous Items—\$500
- Legal—\$550
- Accounting—\$825

DOG TRAINING BUSINESS

- Office Supplies—\$300
- Computers/Peripherals—\$1,200
- Liability Insurance—\$500
- Salary—\$5,000

Based on an analysis of the local market and our aforementioned growth strategy, financial projections for the first five years of operations are as follows:

Revenue

- 2010—\$15,000
- 2011—\$35,000
- 2012—\$62,500
- 2013—\$95,300
- 2014—\$153,500

Expenses

- 2010—\$11,675
- 2011—\$26,275
- 2012—\$49,800
- 2013—\$73,550
- 2014—\$131,750

Net Profit

- 2010—\$3,325
- 2011—\$8,725
- 2012—\$12,700
- 2013—\$21,750
- 2014—\$21,750

Lisa Butler is contributing first-year start-up costs of \$11,675 from her personal savings.